

STATEMENT OF PURPOSE

RS19774C1

The purpose of this proposed legislation is to amend the Idaho Hospital Assessment Act of 2008 to allow additional assessments on certain private hospitals to maintain adequate state trustee and benefit funds to the extent that a general fund shortfall exists or as limited by the maximum assessment set forth in the existing statute. An additional purpose is to draw down additional federal matching funds by maximizing reimbursement for allowable costs available through the state Medicaid plan.

The amendments are designed to be in place for two years beginning state fiscal year 2011, and expiring at state fiscal year end 2012. The effect of the sunset is the restoration of the statute to its 2010 status.

FISCAL NOTE

These amendments will have a positive fiscal impact on the state general fund of approximately \$18,000,000 per state fiscal year. It should be noted that other mechanisms related to reimbursement of certain private hospitals that are outside of this legislation will have an additional positive fiscal impact on the state general fund of approximately \$7,000,000 per state fiscal year.

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